

March 16, 2012

BY ELECTRONIC MAIL

Mr. Matthew Le Grant  
Zoning Administrator  
Department of Consumer and Regulatory Affairs  
1100 4th Street, S.W.  
Room 3102  
Washington, D.C. 20024

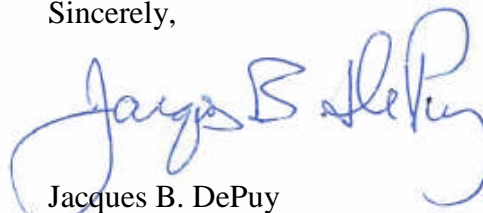
Re: Hine Development (Square 901); Request for Inclusionary Zoning Determination

Dear Mr. Le Grant:

In furtherance of our meeting on February 29, 2011, I enclose (A) a copy of my letter to you dated February 29, 2011 (with attached site plan of the Hine development project) and (B) a draft letter for your consideration in response to my letter. The draft letter is in Word format so that you can revise it as necessary.

We plan to file the Hine Pre-Hearing Statement with the Zoning Commission on Friday, March 23<sup>rd</sup> and therefore request that you provide us with your determination letter by COB on Wednesday, March 21, 2012. Many thanks. Regards.

Sincerely,



Jacques B. DePuy

cc: Mr. Corey Lee, DMPED  
Mr. Joe Sternlieb  
Mr. Buwa Binitie  
Mr. Kenneth Golding  
(all copies by electronic mail, w/encls.)



GREENSTEIN DELORME & LUCHS, P.C.

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February 29, 2012

Mr. Matthew Le Grant  
Zoning Administrator  
Department of Consumer and Regulatory Affairs  
1100 4th Street, S.W.  
Room 3102  
Washington, D.C. 20024

Re: Hine Development (Square 901); Request for Inclusionary Zoning Determination

Dear Mr. Le Grant:

This letter is to request your determination that the Hine development project is exempt from the Inclusionary Zoning (IZ) requirements of Chapter 26 of the Zoning Regulations for the reasons set forth below.

As you will recall and as shown on the attached site plan, the Hine development project will consist of approximately 470,000 square feet of residential, office and retail uses in two buildings ("North Building" and "South Building"). The development will include 158 residential units, forty-six (46) of which will be affordable units. Twenty-nine percent (29%) of the residential units will be affordable as workforce housing and senior housing. Thirteen percent (13%) of the residential GFA of the development will be dedicated to affordable units. The requirements for affordability are specified in a Land Development and Disposition Agreement ("LDDA") and are enforced by the Deputy Mayor for Planning and Economic Development.

Thirty-four (34) of the forty-six (46) affordable units will be provided in the North Building. The North Building will be financed (in part) by the Low Income Housing Tax Credit ("LIHTC") program which is administered by the District of Columbia Department of Housing and Community Development. In conjunction with the requirements of the LIHTC program, the site of the North Building will be conveyed in fee simple, whereas ownership of the site of the larger South Building will be retained by the District of Columbia (subject to a ground lease). The restrictive nature of LIHTC financing precludes the combination of financing sources for the North Building and South Building (i.e., each building must be financed separately). As a result, a large number of the affordable units are concentrated in the North Building.

As stated above, the development project will devote thirteen percent (13%) of the residential GFA to use as affordable units. This amount far exceeds the eight percent (8%) and



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Mr. Matthew Le Grant

February 29, 2012

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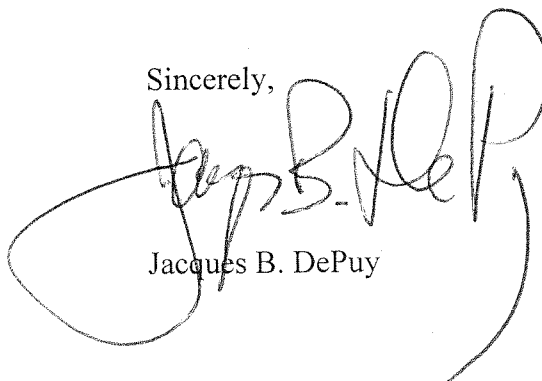
ten percent (10%) "set-aside" requirements of Section 2603. However, because 34 of the 46 affordable units will be concentrated in the North Building, the Hine development project would not comply with Section 2605.6 -- which states that IZ units "shall not be overly concentrated on any floor of a project" -- if IZ requirements were determined to apply to the Hine development. For the reasons set forth below, we do not believe that the IZ requirements are applicable to the Hine development.

Section 2602.3(f) of the Zoning Regulations states that the IZ Chapter shall not apply to... "(a)ny development financed, subsidized, or funded in whole or part by the federal or District government and administered by the Department of Housing and Community Development (DHCD), the District of Columbia Housing Finance Agency, or the District of Columbia Housing Authority and that meets the requirements set forth in § 2602.7."

We believe, and hope that you concur, that the Hine project is a development that is financed or funded in part by the District government and administered by DHCD. Furthermore, the Hine development will comply with the requirements of Section 2602.8, which states that no exemption may be granted pursuant to Section 2602.3(f) unless the Zoning Administrator receives a written certification from the DHCD Director that the development meets the requirements of § 2602.7(a) and (b). Therefore, such a written certification from the DHCD Director will be provided to you.

If you agree with our analysis, we would very much appreciate it if you would set forth your determination in a letter addressed to Stanton-Eastbanc, LLC or the undersigned. Thank you.

Sincerely,

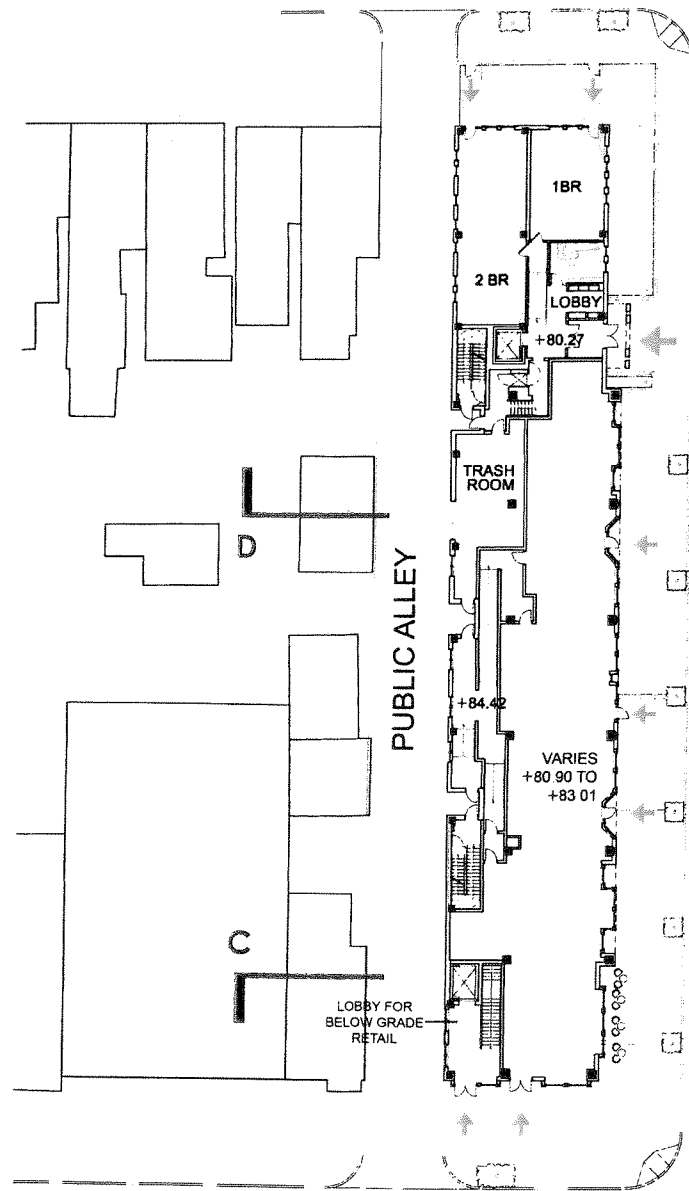


Jacques B. DePuy

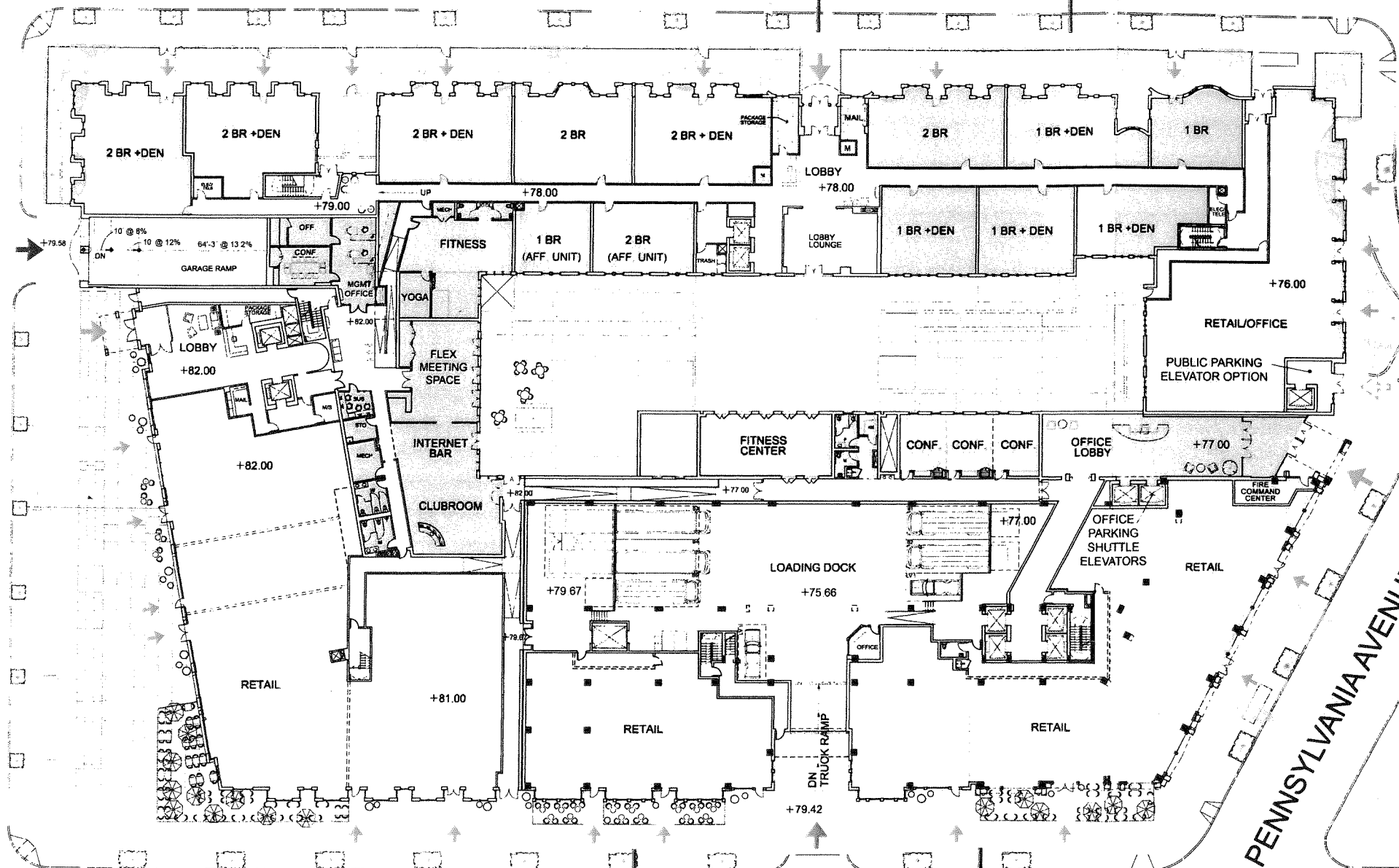
Enclosure

cc: Mr. Corey Lee, DMPED  
Mr. Joe Sternlieb  
Mr. Buwa Binitie  
Mr. Kenneth Golding  
(All copies by electronic mail w/o enclosure)

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C STREET SE



D STREET

8TH STREET SE

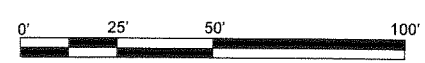
7TH STREET SE

PENNSYLVANIA AVENUE SE

- PEDESTRIAN ACCESS
- VEHICULAR ACCESS
- LOADING ACCESS
- OFFICE
- NORTH RESIDENTIAL
- 8TH STREET RESIDENTIAL
- 7TH STREET RESIDENTIAL
- RETAIL
- SERVICE

HINE PROJECT

Stanton - EastBanc LLC



November 23, 2011



1ST FLOOR PLAN A 13

WEINSTEIN STUDIO • ESOCOFF & ASSOCIATES architects